

## Joint Legislative Task Force on School Construction Funding 2009 Education Bill - Engrossed Substitute House Bill 2261

### ESHB2261 Excerpt

"...NEW SECTION. Sec. 113. A new section is added to chapter 28A.300 RCW to read as follows:

(1) As part of the estimates and information submitted to the governor by the superintendent of public instruction under RCW 28A.300.170, the superintendent of public instruction shall biennially make determinations on the educational system's capacity to accommodate increased resources in relation to the elements in the prototypical funding allocation model. In areas where there are specific and significant capacity limitations to providing enhancements to a recommended element, the superintendent of public instruction shall identify those limitations and make recommendations on how to address

29 the issue.

(2) The legislature shall: (a) Review the recommendations of the superintendent of public instruction submitted under subsection (1) of this section; and (b) Use the information as it continues to review, evaluate, and revise the definition and funding of basic education in a manner that serves the educational needs of the citizen's of Washington; continues to fulfill the state's obligation under Article IX of the state Constitution and ensures that no enhancements are imposed on the educational system that cannot be accommodated by the existing system capacity.

(3) "System capacity" for purposes of this section includes, but is not limited to, the ability of schools and districts to provide the capital facilities necessary to support a particular instructional program, the staffing levels necessary to support an instructional program both in terms of actual numbers of staff as well as the experience level and types of staff available to fill positions, the higher education systems capacity to prepare the next generation of educators, and the availability of data and a data system capable of helping the state allocate its resources in a manner consistent with evidence-based practices that are shown to improve student learning.

(4) The office of the superintendent of public instruction shall report to the legislature on a biennial basis beginning December 1, 2010.

### Background and Current System

The Washington State Constitution declares that: (1) it is the paramount duty of the state to make ample provision for the education of the state's children; and (2) the Legislature is required to provide for a general and uniform system of public schools.

The Legislature has the duty of defining a "basic program of education," distinguished from all other educational programs or services, and sufficiently and amply fund it from a regular and dependable source that cannot be dependent on local tax levies. Local school districts may use levies to enrich programs but cannot be dependent on them to reduce the state's obligation to fund basic education

The Legislature has defined a "basic education" by establishing goals, minimum program hours, teacher-contact hours, and a mix of course offerings for a school district to provide. Currently, at least some portion of six programs (general apportionment; the special education program for students with disabilities; some pupil transportation; the Learning Assistance Program for remediation assistance; the Transitional Bilingual Education program; and educational programs in juvenile detention centers and state institutions) fall within the Legislature's definition of basic education. Funding is provided based on this program structure.

## K-12 Basic Ed v. Non-BE Expenditures • 2009-11 Enacted Budget

Near-General Fund & Federal Fiscal Stabilization funds • dollars in millions

	Maint. Level	Legislative Change	Remaining after Leg.
General apportionment	\$10,445.6	\$0.0	\$10,445.6
Special education	1,326.3	0.0	1,326.3
Transportation	619.3	0.0	619.3
Learning Assistance Program (LAP)	258.5	0.0	258.5
Bilingual education	164.2	0.0	164.2
Institutional education	38.0	0.0	38.0
Student Achievement Fund (I-728)	905.1	(600.0)	305.1
Levy equalization	489.5	0.0	489.5
Education reform	386.8	(91.3)	295.5
Enhanced staffing ratios (K-3 certified & classified)	296.9	0.7	297.6
Two learning improvement days (LID)	71.8	(35.7)	36.1
Statewide programs	39.9	(9.7)	30.2
State office & ed agencies	34.9	(2.0)	32.9
Highly capable student programs	19.4	0.0	19.4
Educational Service Districts	18.4	0.0	18.4
Food services	6.3	0.0	6.3
Summer, other skill centers, vocational equipment	5.7	0.0	5.7
Pupil transportation coordinators	1.8	0.0	1.8
2009 Senate bills	0.0	4.6	4.6
<b>TOTAL: Near-General Fund &amp; Fiscal Stabilization</b>	<b>\$15,128.4</b>	<b>(\$733.4)</b>	<b>\$14,395.0</b>

*Note: Compensation, including health benefit costs and I-732 reductions are not included in this table.*

Funding for these programs is based primarily on staff ratios per 1,000 students, forecasts of student enrollment, state salary schedules and the mix of experience and education among staff, non-employee related costs, and enhancements for certain programs and circumstances.

### **Primary Provisions of ESHB 2261**

The bill defines the program of basic education – beginning September 1, 2011 – as the Instructional Program of Basic Education in public schools; education in residential schools, juvenile detention facilities, and adult correctional facilities for those under age 18; and transportation to and from school.

The Instructional Program of Basic Education includes full-day kindergarten, increased instructional hours in grades 1 through 7 the State Board of Education's proposal for 24 credits for high school graduation (rather than the current 19 credits), and the educational program for highly capable students, all of which must be phased in by 2018.

The bill creates a new funding structure for the Instructional Program of Basic Education – also beginning September 1, 2011 – based on a "prototypical school" model. Each prototype (elementary, middle, and high school) will illustrate the level of resources needed, by type of school, to operate those schools. Resources will be displayed in commonly-understood terms such as class size; number of periods in a day; number of teachers and other building staff needed; maintenance, supplies, and operating costs; and central office administrative staff. The model includes an enhancement for high-poverty schools.

In addition to the funding for the prototypical schools, funding for categorical programs continues on an enhancement basis. These categorical programs include the Learning Assistance Program (LAP), bilingual education, special education, and the highly-capable program as part of the Instructional Program of Basic Education. The special-education safety net, traditionally contained in the operating budget bill, is placed in statute. A new pupil transportation funding formula is authorized and is to be phased in beginning with the 2013-14 school year.

The bill makes provision for phased-in implementation, as technical details and other practicalities are developed. The Quality Education Council is formed to, along with the Legislature, monitor and oversee implementation as well as to recommend an implementation plan. The Finance Working Group meets over the 2009 interim and presents to the Legislature its recommendations for the new funding formulas and their implementation by December 1, 2009. The Local Funding Working Group will develop options for a new system of supplemental funding through local school levies and the state's Local Effort Assistance program, and report to the Legislature by December 1, 2011. The Compensation Working Group will make recommendations regarding salary allocations by December 1, 2012.

The Governor vetoed the section of the bill that called for establishing a program of Early Learning for at-risk children, stating the work should continue to develop a program but not to be limited to at-risk populations.

The bill also addresses teacher certification, district accountability, and builds a system for meeting education data needs.

#### **Implications for School Construction Assistance Program**

The primary impacts for the capital budget are those programs and policies that are likely to drive needs for additional facilities or space. These include:

- Changes in class size, minimum staffing levels, and classroom periods consistent with the plans developed for prototypical schools (though smaller class size efforts have been underway in previous biennia in the form of enhanced staffing ratios and Initiative 728, or student achievement, funds)
- Adding the phase-in of all-day-kindergarten to the definition of basic education
- Continuing work on a program of early learning

The major tool for synchronizing the implementation of ESHB 2261 with the capital budget and statewide education facility needs will be the biennial capacity report prepared by the Office of the Superintendent of Public Instruction.